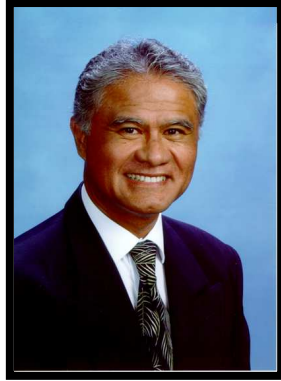




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## Legislative Report Mililani-Mauka Neighborhood Board March 21, 2006

### Legislators Focus on Improving Public Education

Legislators have made improving the state's education system a top priority this session. From repairing and maintaining our public school facilities, to creating a standard core curriculum for all public schools, to enhancing work force development programs, legislators in both houses are determined to make substantial contributions to our educational system this session.

In addition to acting on numerous educational bills moving through the legislature this session, the Senate is also currently reviewing the House's proposed state budget for fiscal year July 1, 2006 to June 30, 2007. Following are some key educational appropriations proposed in the House's state budget:

- \$256,204,000 in improvements to public school facilities, including \$160 million to complete renovations at 96 schools statewide and \$50 million for repairs and maintenance statewide
- \$20 million to help ease schools' transition to the Weighted Student Formula
- \$24 million to implement a single, system-wide uniform school calendar
- \$2 million to purchase more science textbooks and classroom science equipment
- \$2.4 million to help classroom teachers purchase classroom supplies
- \$84 million to address repair and maintenance of aging facilities at the University of Hawaii

### Bills to Ease Hawaii's Dependence on Oil Advancing

With energy prices rising and global competition for the world's dwindling oil supply increasing, legislators have made reforming Hawaii's energy policy a strong priority this session. Legislation has advanced in both houses to ease Hawaii's strong dependence on oil by encouraging the production and exploration of alternative energy sources such as wind, solar, hydroelectric, and geothermal.

To help promote alternative and minimal consumption of energy in the private sector, legislators are also proposing tax credits for homeowners who install photovoltaic panels, and tax credits for the purchase of designated "Energy Star" products and appliances.

## Much Needed Tax Reform Still Possible This Session

Measures are still alive in the legislature this session to provide much-needed tax reform and relief to our working families. One substantial thing we should do this year is to raise the state's standard deduction to 50 percent of the federal standard deduction. This would reduce the tax burden for about 60 percent of taxpayers and help those who need it the most — the middle class and the working poor.



Currently, the state's standard deduction is \$1,500 for a single taxpayer, and \$1,900 for married couples filing jointly. This is far below the standard deductions of most states and far below the federal standard deduction of \$5,000 for a single taxpayer and \$10,000 for married couples filing jointly.

Increasing the state's standard deduction would not only help the poor, it would benefit the forgotten middle-class families, who do not qualify for social services and aid available to the poor and yet do not earn enough to pull themselves out of a survival mode. Poor and middle-class families in Hawai'i pay proportionately more than the rich. In fact, according to a 2003 report by the Institute on Taxation and Economic Policy, Hawai'i families earning no more than \$14,000 paid on average 12.6 percent of their income to state and local taxes. Middle-class families earning less than \$42,000 paid 11.2 percent, and the richest taxpayers with average incomes of \$458,000 paid only 8 percent and even as little as 5.8 percent after federal itemized deductions.

Increasing the standard deduction and eventually broadening the tax brackets would help eliminate this unfairness and ensure that the working poor and middle-class families no longer carry a disproportionate share of the tax burden.

## Lawmakers Committed To Preparing Hawaii for a Natural Disaster

As the entire nation continues to heal from the devastating aftermath of hurricanes Katrina and Rita, lawmakers in both houses have taken the lessons learned from the hurricanes and pushed through legislation to better prepare Hawaii in the event of a natural disaster. Key proposals advancing in each House include:

- Retrofitting existing emergency shelters and constructing new emergency shelters- including public school buildings
- Providing an income tax credit to homeowners and businesses for the installation of wind resistive devices
- Requiring the department of defense to develop a disaster preparedness emergency shelter plan and to report to the legislature
- Requiring hospitals, nursing homes, and hotels to develop disaster preparedness plans
- Requiring counties to locate, designate, and maintain areas to provide emergency shelter for the homeless

*For more information, to track bills, look at committee hearing and briefing schedules, and much more, visit the State Legislature website at <http://www.capitol.hawaii.gov>.*